LUUPDATE

University of Lucknow MBA (DOC)

First Semester Examination, 2026

QUESTION BANK

Model Question Papers - 5 Sets (Set A - Set E)

LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

Time : 3 Hours	Maximum Marks : 70

Answer any five questions. All questions carry equal marks.

Unit	Topic Coverage
I	Basic concepts, scope of total income, PAN, exempted income, deductions from gross total income, deemed income, clubbing of income, set off and carry forward of losses
II	Computation of Income from Salaries, House Property, Business and Profession, Capital Gains and Other Sources; Computation of Total Income and Tax Liability of an Individual
III	Computation of Income and Assessment of Tax of a Company; Income Tax Authorities; Return of Income and Assessment Process; Appeals and Revisions; Advance Payment of Tax; TDS; E-filing of ITR; TCS
IV	Introduction to GST - Basic Concepts, Key Definitions, GST Framework, GST Council, Levy and Collection with Composition Scheme, Registration Procedure, Time and Value of Supply, Input Tax Credit, Tax Invoice, Debit/Credit Note, Reverse Charge and Exemptions
V	Records under GST, Returns, Accounting and Assessment Procedure, Demand, Payment of Tax, Refund and Recovery of Tax, Liability of Payment of Tax, Types of Assessment and Vouchers under GST

This question bank contains five model question papers (Set A to Set E), each with ten unified 14-mark questions balanced across all five units of the syllabus, prepared for practice ahead of the University of Lucknow MBA (DOC) First Semester Examination.

Compiled for internal examination preparation and practice.

LUUPDATE | www.luupdate.com

17001

MBA (DOC) First Semester Examination, 2026

LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

[SET - A]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the basic concepts of Income Tax such as previous year, assessment year, person and assessee, and discuss their significance in the process of computation and levy of income tax. **[14]**

Q.2. Discuss the scope of total income of an assessee under the Income Tax Act, and explain how the residential status of a person (Resident and Ordinarily Resident, Resident but Not Ordinarily Resident, and Non-Resident) determines the scope of income chargeable to tax. **[14]**

Q.3. Explain the mechanism of computation of income chargeable under the head 'Salaries', discussing the treatment of allowances and perquisites and the deductions available under Section 16. **[14]**

Q.4. Mr. X is employed in Delhi and receives the following particulars of his salary for the previous year: Basic Pay Rs. 30,000 per month; Dearness Allowance (forming part of salary for retirement benefits) Rs. 10,000 per month; House Rent Allowance received Rs. 12,000 per month; rent actually paid by him for his accommodation in Delhi Rs. 14,000 per month. Compute the amount of House Rent Allowance exempt under Section 10(13A) and the taxable amount of salary income for the year, showing clearly the working of the least of the three limits prescribed for exemption. **[14]**

LUUPDATE
www.luupdate.com

Q.5. Explain the procedure for computation of total income and tax liability of a company under the Income Tax Act, distinguishing between a domestic company and a foreign company. **[14]**

Q.6. Discuss the hierarchy, powers and functions of the Income Tax Authorities in India, with reference to the Central Board of Direct Taxes, the Principal Commissioner of Income Tax and the Assessing Officer. **[14]**

Q.7. Explain the basic concepts and key definitions relevant to the Goods and Services Tax (GST), such as supply, taxable person and aggregate turnover. **[14]**

Q.8. Explain the framework of the Goods and Services Tax in India, discussing the roles of Central GST, State GST, Integrated GST and Union Territory GST. **[14]**

Q.9. Explain the records required to be maintained by a registered person under the GST law, and discuss their importance for compliance and audit purposes. **[14]**

Q.10. Discuss the various types of returns to be filed under GST, such as GSTR-1, GSTR-3B and the Annual Return, and explain their due dates and purpose. **[14]**

LUUPDATE
www.luupdate.com

17002

MBA (DOC) First Semester Examination, 2026
LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

[SET - B]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the meaning and importance of Permanent Account Number (PAN), and discuss the procedure for obtaining PAN along with the situations in which quoting of PAN is mandatory. **[14]**

Q.2. Discuss the concept of exempted income under the Income Tax Act, and explain, with suitable examples, the categories of income that are wholly or partly exempt from tax under Section 10. **[14]**

Q.3. Explain the computation of income from house property, discussing the determination of Gross Annual Value and the deductions permissible under Section 24. **[14]**

Q.4. From the following particulars relating to a house property let out throughout the previous year, compute the Gross Annual Value, Net Annual Value and Income from House Property: Municipal Value Rs. 2,40,000; Fair Rent Rs. 2,60,000; Standard Rent (fixed under the Rent Control Act) Rs. 2,50,000; Actual Rent Received Rs. 2,64,000; Municipal taxes paid by the owner during the year Rs. 20,000; Interest on housing loan for the year Rs. 60,000. **[14]**

Q.5. Discuss the types of Income Tax Return forms prescribed under the Income Tax Act, and explain the due dates and general procedure for filing the return of income. **[14]**

LUUPDATE
www.luupdate.com

Q.6. Explain the different types of assessment under the Income Tax Act, namely self-assessment, summary assessment under Section 143(1), scrutiny assessment under Section 143(3), and best judgment assessment. **[14]**

Q.7. Discuss the composition and constitution of the GST Council, and explain its principal powers and functions in the administration of GST. **[14]**

Q.8. Explain the provisions relating to levy and collection of GST, and discuss the salient features and eligibility conditions of the Composition Scheme under GST. **[14]**

Q.9. Explain the general procedure of accounting under GST and discuss the assessment procedure applicable to a registered person. **[14]**

Q.10. Explain the concept of demand and recovery of tax under GST, discussing the circumstances that give rise to a demand notice and the modes of recovery available to the department. **[14]**

17003

MBA (DOC) First Semester Examination, 2026
LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

[SET - C]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the various deductions available from Gross Total Income under Chapter VI-A of the Income Tax Act, and discuss the conditions attached to any two such deductions. **[14]**

Q.2. Explain the concept of deemed income under the Income Tax Act, and discuss the circumstances under which income not actually received or accrued is nevertheless treated as taxable income. **[14]**

Q.3. Explain the computation of income from business or profession, discussing the treatment of allowable and disallowable expenses while determining taxable business income. **[14]**

Q.4. From the following particulars, compute the income taxable under the head 'Profits and Gains of Business or Profession': Net profit as per Profit and Loss Account Rs. 5,00,000; Depreciation charged in the books Rs. 80,000 (depreciation allowable as per the Income Tax Act Rs. 60,000); Income tax paid, debited to Profit and Loss Account, Rs. 25,000; Donation to Prime Minister's National Relief Fund debited to Profit and Loss Account Rs. 10,000; Personal expenses of the proprietor debited to Profit and Loss Account Rs. 15,000. **[14]**

Q.5. Explain the provisions relating to appeals and revisions under the Income Tax Act, discussing the hierarchy of appellate authorities available to an aggrieved assessee. **[14]**

www.luupdate.com

Q.6. Explain the concept and procedure of advance payment of tax under the Income Tax Act, discussing the due dates and the percentage of tax payable in each installment for a non-corporate assessee. **[14]**

Q.7. A registered trader opts for the Composition Scheme under GST and has an aggregate turnover of Rs. 80,00,000 during the financial year. Assuming the composition tax rate applicable to traders is an illustrative 1 percent of turnover, compute the amount of composition tax payable by the trader for the year. **[14]**

Q.8. Explain the procedure for registration under GST, discussing the threshold limits for compulsory registration and the documents generally required to be submitted. **[14]**

Q.9. A registered dealer's output GST liability for a tax period is Rs. 1,50,000, and he has Input Tax Credit of Rs. 90,000 available in his Electronic Credit Ledger. Compute the net amount of GST payable in cash for the period, showing the utilisation of Input Tax Credit against the output liability. **[14]**

Q.10. Explain the procedure for payment of tax under GST, discussing the role of the Electronic Cash Ledger and the Electronic Credit Ledger in the payment process. **[14]**

LUUPDATE
www.luupdate.com

17004

MBA (DOC) First Semester Examination, 2026

LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

[SET - D]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the provisions relating to clubbing of income under the Income Tax Act, and discuss the circumstances under which the income of one person is included in the total income of another. **[14]**

Q.2. Explain the provisions relating to set-off and carry forward of losses under the Income Tax Act, distinguishing between intra-head set-off, inter-head set-off, and carry forward of losses to subsequent years. **[14]**

Q.3. Explain the computation of capital gains under the Income Tax Act, distinguishing between short-term and long-term capital assets, and discuss briefly the exemptions available under Section 54. **[14]**

Q.4. A long-term capital asset was purchased in an earlier year and its indexed cost of acquisition for the year of sale works out to Rs. 4,00,000. The asset was sold during the current previous year for Rs. 9,00,000, and the assessee incurred brokerage and other expenses on transfer amounting to Rs. 20,000. Compute the amount of long-term capital gain chargeable to tax for the year. **[14]**

Q.5. A company makes payment of professional fees of Rs. 1,00,000 to a firm of consultants during the year. Assuming tax is deductible at source under Section 194J at an illustrative rate of 10 percent, compute the amount of Tax Deducted at Source and the net amount payable to the consultants. **[14]**

Q.6. Explain the concept and objectives of Tax Deduction at Source (TDS) under the Income Tax Act, and discuss the common categories of payments on which TDS is required to be deducted. **[14]**

Q.7. Explain the meaning of supply under GST, and discuss the provisions relating to the time of supply and the value of supply. **[14]**

Q.8. A manufacturer supplies goods for an agreed price of Rs. 5,00,000. In addition, packing charges of Rs. 10,000 and freight charges of Rs. 15,000 are charged separately in the invoice, while a cash discount of Rs. 5,000 is allowed and duly recorded in the invoice at the time of supply. Compute the value of supply for the purpose of levy of GST. **[14]**

Q.9. Explain the procedure for claiming refund of tax under GST, discussing the circumstances under which a registered person becomes entitled to claim a refund. **[14]**

Q.10. Discuss the various types of assessment under GST, such as self-assessment, provisional assessment, scrutiny assessment, best judgment assessment and summary assessment. **[14]**

LUUPDATE
www.luupdate.com

17005

MBA (DOC) First Semester Examination, 2026
LEGAL ASPECTS OF TAXATION IN BUSINESS

Paper : MBA(F&A;)CC-104 (CORE)

[SET - E]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Distinguish between exempted income and deduction from Gross Total Income under the Income Tax Act, illustrating the distinction with suitable examples of each. **[14]**

Q.2. Discuss the rules for determining the residential status of an individual assessee under the Income Tax Act, and examine the manner in which the scope of total income differs for a resident and a non-resident. **[14]**

Q.3. Explain the incomes chargeable to tax under the head 'Income from Other Sources', and discuss the deductions permissible while computing income under this head. **[14]**

Q.4. Mr. A, an individual, has the following incomes for the previous year: Income from Salary (taxable) Rs. 6,00,000; Income from House Property Rs. 1,50,000; Income from Business Rs. 2,00,000; Long-Term Capital Gain Rs. 1,00,000; and Income from Other Sources Rs. 50,000. During the year he has made an investment of Rs. 1,00,000 in instruments eligible for deduction under Section 80C, subject to the overall limit of Rs. 1,50,000 prescribed under that section. Compute his Gross Total Income and Total Income for the year, showing the deduction allowable under Section 80C. **[14]**

Q.5. Explain the procedure of E-filing of Income Tax Returns, and discuss the advantages of electronic filing over the traditional manual filing of returns. **[14]**

Q.6. A seller sells goods worth Rs. 60,00,000 to a single buyer during the financial year, which exceeds the threshold limit of Rs. 50,00,000 prescribed under Section 206C(1H) for Tax Collected at Source. Assuming TCS is applicable at an illustrative rate of 0.1 percent on the amount exceeding the threshold, compute the amount of Tax Collected at Source, and explain briefly the meaning and objective of TCS. **[14]**

Q.7. Explain the concept of Input Tax Credit under GST, discussing the conditions to be satisfied for availing such credit and its significance to a registered dealer. **[14]**

Q.8. Explain the provisions relating to Tax Invoice and Bill of Supply under GST, and discuss the purpose of Debit Notes and Credit Notes and the concept of Reverse Charge and exemptions from GST. **[14]**

Q.9. Explain the meaning and types of vouchers under GST, such as receipt voucher, payment voucher and refund voucher, and discuss the circumstances in which each is issued. **[14]**

Q.10. A registered person fails to pay GST of Rs. 2,00,000 due for a tax period and delays the payment by 30 days beyond the due date. Assuming interest is chargeable at an illustrative rate of 18 percent per annum for the delayed period, compute the approximate amount of interest payable by him for the delay. **[14]**

LUUPDATE
www.luupdate.com